FILED
FEB 19 1942
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 965

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY CO.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI AND BRIEF IN SUPPORT THEREOF

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OCTOBER TERM, 1941

No.

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY CO.,
Respondent.

PETITION FOR A WRIT OF CERTIORARI

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Petitioners Genzo Shimadzu and Northeastern Engineering Corporation (hereinafter referred to as "plaintiffs" for the sake of clarity) respectively pray that a writ of certiorari issue to the United States Circuit Court of Appeals, Third Circuit, to review a judgment of that court filed on November 19, 1941 (rehearing denied January 5, 1942) reversing the decree and judgment of the United States District Court for the Eastern District of Pennsylvania (KIRKPATRICK, *J.*) entered after remand by this Court of this cause, No. 441, October Term, 1938.

Jurisdiction

The jurisdiction of this Court is invoked under Section 240 (a) of the Judicial Code as amended by the Act of February 13, 1925 (28 U. S. C. Section 347 (a)) and under General Rule 38 of this Court, Section 5, subdivision (b).

Statutes Involved

The statutes involved are Revised Statutes 4886 and 4887 (35 U. S. C. 31 and 32 respectively) found in the appendix attached hereto (Appendix, pp. 1, 2).

Previous Decisions Herein

Original Opinion of the District Court (printed at R. II, 1162, reported in 17 F. Supp., 42).

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Opinion of this Court on previous certiorari (printed at R. IV, 1279; reported 307 U. S., 5).

Opinion of the District Court on scope of mandate (not included in Record; reported in 30 F. Supp., 865).

Opinion of District Court on remand from this Court (printed at R. IV, 1298; reported 35 F. Supp., 745).

Opinion of Circuit Court of Appeals on second appeal (printed R. IV, 1467; reported 123 F. (2d) 890).

Statement

This is an infringement suit in equity for an injunction and an accounting upon six United States patents granted to Genzo Shimadzu. Only one, United States Patent 1,584,149 (hereinafter referred to as U. S. '149) relating to a process of manufacturing fine powder from pieces of metallic lead, issued May 11, 1926, on an application filed January 30, 1922, was remanded by this Court for further proceedings.

The parties plaintiff are Genzo Shimadzu, as patentee and owner of said patent, and Northeastern Engineering Corporation, a Delaware corporation, as exclusive licensee thereunder. Shimadzu is a manufacturer of storage batteries in Japan. Northeastern Engineering Corporation, which is wholly American owned (hereinafter referred to as "Northeastern") is engaged in the business of granting sub-licenses to manufacturers of storage batteries in the United States and Canada under certain Shimadzu patents including the aforesaid U. S. Patent 1,584,149.

The Trading with the Enemy Act, Title 50 U. S. C., Section 10, subdivision (g), found in the appendix (Appendix, p. 5), provides that any enemy may prosecute suits in equity against any person other than a licensee thereunder to enjoin infringement of letters patent in the United States.

The respondent herein is The Electric Storage Battery Co. (hereinafter referred to as "defendant" for the sake of clarity), a manufacturer of storage batteries in Philadelphia, Pa., and having a wholly owned subsidiary engaged in the manufacture of storage batteries elsewhere in the United States.

Patents Involved

The U. S. '149 Patent

U. S. '149 discloses and claims a "meritorious invention" relating to the manufacture in commercial quantities of fine powder from pieces of lead in a dry state by rumbling the lead pieces in a rotating mill, blowing a blast of air into the mill, forming the powder by attrition, and blowing it out by the air blast.

It issued May 11, 1926, on an application filed January 30, 1922.

The Foreign Patents Involved Under R. S. 4887

Japanese patent 41,728 (hereinafter referred to as "Japanese '728" for brevity) relates to a method of grinding lead to lead powder by placing pieces of lead in a closed rotating vessel. The use of air is not involved. It is a batch process.

It was issued to Shimadzu February 13, 1922, on an application filed November 21, 1920, in Japan.

Japanese patent 42,563 (hereinafter referred to as "Japanese '563" for brevity) is an addition to Japanese '728, in that it includes the additional step of removing powder from the mill by means of the use of a current of air or other inert gas such as nitrogen.

It was issued to Shimadzu May 10, 1922, on an application filed November 27, 1920, in Japan.

Both sides agree that the processes of both these Japanese patents are substantially inoperable and that neither involves the oxidation or temperature control present in the process of U. S. '149 (Appendix, pp. 5, 6).

The claims of all three above patents are found in the appendix (Appendix, pp. 2-4).

Previous Proceedings Herein

By its first decree of December 14, 1936, the United States District Court for the Eastern District of Pennsylvania (KIRKPATRICK, *J.*) adjudged claims 1 and 2 of U. S. '149, claims 1-4, 6, 8-13 of U. S. Patent 1,584,150 (hereinafter referred to as U. S. '150) and claims 10 and 11 of U. S. Patent 1,896,020 (hereinafter referred to as U. S. '020) to be valid and infringed, and the remaining claims in issue valid but not infringed (R. II, 1192).

Both parties appealed to the Circuit Court of Appeals for the Third Circuit, which affirmed the decree of the District Court on its opinion (R. II, 1220c).

Defendant petitioned for rehearing, which was denied (R. II, 1220ii), and then petitioned this Court for writ of certiorari (No. 441, October Term, 1938) advancing three reasons for allowance of the writ.* Certiorari was granted (305 U. S. 591).

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* Defendant's petition (p. 7) stated such reasons as follows:

"(1) In holding that in the ascertainment, under the Patent Statutes of the United States, of the date of an invention made abroad, such Statutes do not proscribe all evidence of invention abroad other than that derived from patents, printed publications, or patent applications within the terms of R. S. 4887, the Court below has decided an important question of federal law which has not been, but should be, settled by this Court.

(2) In holding that United States patents are not invalidated by commercial use by others in this country, of the inventions patented, for more than two years before the actual filing of the applications for such patents, the Court below has decided a federal question in a way probably in conflict with applicable decisions of this Court, as well as of another Circuit Court of Appeals.

(3) In holding valid a United States patent granted to one who had made an invention in a foreign country, but who withheld and suppressed it for a long period of time and did not file an application for a United States patent therefor until more than two years after the thing subsequently patented had been brought into commercial use by others in this country, the Court below decided an important question of federal law in a way probably in conflict with an applicable decision of this Court."

Previous Petition and Brief of Defendant for Certiorari and Brief on Argument

Defendant (then petitioner) in its petition to this Court for certiorari in No. 441, October Term, 1938, stated (p. 3):

> *"The Courts below found that he* (Shimadzu) *had no foreign patent equivalent to his patent No. 1,548,149."**

In neither its specifications of error in its brief supporting its petition nor in its brief on the argument did defendant specify error in respect of the concurrent findings of the lower courts that the patents in suit were not invalid by reason of the filing of an application therefor in a foreign country more than one year before the filing of the application in this country (Defendant's Brief Supporting Petition, pp. 10-12; Brief on the Argument, pp. 9, 10).

At page 14 of the brief supporting its petition, defendant stated:

> "Shimadzu's inventions were made in Japan. In June 1921 his inventions had not been described in any printed publication anywhere. *No application for patent therefor has been filed in any country.*"

After certiorari was granted defendant (then petitioner) stated to this Court in its brief on argument (p. 4):

> "The questions here presented arise from facts not disputed and from concurrent findings of fact of both Courts below."

* Italics and parenthetical expressions throughout petition and brief are ours unless otherwise indicated.

In support of Point II of its brief on argument that Shimadzu had concealed and withheld his invention, it stated:

> "The Courts below found that the invention of patent 1,584,150 was made in Japan in August, 1919 (R. II, 1166). It is clear that the Courts below intended this date to apply to the inventions of patents 1,584,149 and 1,896,020, as well (R. II, 1188)" (Defendant's Brief on Argument, p. 28).

> "As Shimadzu was filing applications for patents in Japan and elsewhere after August, 1919, *but delayed filing any application anywhere for the inventions of the patents here in suit* until long after the same or like inventions had gone into commercial use in this country, it would seem manifest under the foregoing authorities *that the inventions of the patents in suit and each of them* must be deemed to have been concealed, suppressed or abandoned and that those patents must therefore be adjudged invalid" (Defendant's Brief on Argument, p. 31).

Defendant therefore accepted the concurrent findings of the Courts below that no application for the invention of U. S. '149 had been filed in Japan until long after defendant's commercial production began in June, 1921, only about seven months before January 30, 1922, the application date of U. S. '149. Defendant thus admitted that no foreign patent corresponding to U. S. '149 was applied for more than 12 months prior to the filing of the application for U. S. '149, and urged that fact before this Court in support of its contention that Shimadzu abandoned the invention of U. S. '149.

This Court in its opinion herein took the defendant at its word, stating:

> "No controversy of fact is involved as the petitioner concedes it must accept the concurrent findings of the courts below" (307 U. S. 5, 9; R. IV, 1280).

One of the concurrent findings was that none of the patents including U. S. '149 was invalid under R. S. 4887 because of the filing of an application for the invention in Japan more than a year before the filing of one here.

This Court, holding U. S. '150 and U. S. '020 to be invalid solely on the grounds of prior public use, reversed the decree of the Circuit Court of Appeals and remanded the case to the District Court

> "* * * with directions to dismiss the bill as to Nos. 1,584,150 and 1,896,020, and to proceed, in the light of the dismissal as to those patents, to determine whether 1,584,149 is valid and infringed" (307 U. S. 5, 22; R. IV, 1292).

Referring to the original opinion of the District Court indicating a possible doubt as to the validity of U. S. '149 in view of the prior art, this Court stated:

> "In view of our decision as to 1,584,150 *and of the basis of the decision below,* respecting 1,584,149, we think the petitioner is entitled to a re-examination of the questions of validity and infringement of the latter" (307 U. S. 5, 22; R. IV, 1291).

It is evident from this Court's opinion that re-examination of the validity of U. S. '149 was directed to the effect thereon of the prior art and did not involve the question of whether U. S. '149 is invalid under R. S. 4887 by reason of any foreign patent.

Neither of the Japanese patents 41,728 and 42,563 are prior art as against U. S. '149.

Proceedings After Remand

Upon the rehearing after remand as to U. S. '149 no new evidence was presented.

The District Court held:

> "Both sides agree that, if '149 is for a patentable process, it is substantially the process disclosed by '150. * * *
>
> Claim 2 may be taken as typical of the process claims of '150. * * *
>
> The process (as distinguished from the principle) of claim 2 of the '149 patent is (1) putting pieces of lead into a rotatable vessel, (2) rotating the vessel at a low speed, (3) forcing an air blast into and through the vessel, (4) permitting the lead masses to be reduced to powder by surface attrition, and (5) carrying the powder out of the vessel with the air" (R. IV, 1299, 1300; 35 F. Supp. 745, 746, 747) [parentheses not ours].

It held that oxidation was inherent in U. S. '149; that defendant's contentions that U. S. '149 was no advance over Japanese '563 and that the opinion of this Court excluded oxidation from the claims of U. S. '149 were untenable (R. IV, 1301-1303; 35 F. Supp. 747); that as U. S. '149 did not eliminate heat or forbid oxidation it could not be said that the process was the same as Japanese patents '728 or '563; and said:

> "I am convinced that '563 must be read as a disclosure of the use of an inert or inactive medium which will not oxidize lead, and as nothing more. * * * It was demonstrated that, in an inert medium, the balls simply polish one another and no powder will be produced; so even if the claim could be construed by omitting the word 'other' and read, 'air

> or an inactive gas,' as though they were alternatives, it would be wholly invalid because it would then suggest two inconsistent and mutually exclusive methods, one of which might lead to a useful result and the other of which would lead to nothing. A patent, like any other instrument, may be of doubtful meaning, or it may contain several meanings applicable to varying conditions, but it may not have two meanings inconsistent with each other." (R. IV, 1304; 35 F. Supp. 748).

It then held that the invention defined in claim 2 of U. S. '149 is substantially the same as that of U. S. '150; that the prior art does not invalidate claim 2 of U. S. '149; and that claim 2 is valid and infringed (R. IV, 1306, 1308; 35 F. Supp. 749, 750).

It held claim 1 of U. S. '149 invalid by reason of the prior art (R. IV, 1308; 35 F. Supp. 750).

Both sides appealed to the United States Circuit Court of Appeals for the Third Circuit, which held claim 1 invalid on the prior art, and by a divided court claim 2 invalid because of its substantial identity with Japanese '563 and because application for U. S. '149 had not been filed within a year of the filing of the application for Japanese '563, as required by R. S. 4887 (35 U. S. C. 32).

It held, however, that if claim 2 is valid, the defendant has infringed it.

Speaking of U. S. '149, it said:

> "We think that despite this apparent lack of knowledge as to why his process worked, the disclosures of '149 considered in the light of the prior art (disregarding the Japanese patents) *constituted invention of a high order.* Shimadzu discloses a new and commercially useful method for making the fine metallic powder for batteries. *There were no com-*

> *parable disclosures in the art in the United States.* By blowing air into the cylinder Shimadzu revolutionized the art of making fine lead powder" (R. IV, 1476; 123 F. (2d) 896) [parentheses not ours].

It agreed with the District Court *"that '149 discloses an operable process, the same invention claimed in '150";* but held, *contrary to the statements made by both parties in both lower courts,* that an operator skilled in the art would obtain similar results by following the teachings of Japanese '563; that *"In fact in '563 the inventor has claimed two processes: one, operable to produce substantial quantities of lead powder; the other, inoperable to that end"; and that the operable process must be held to constitute the invention;* that if Japanese '563 had been issued in this country, "we think that Shimadzu would have been entitled to a monopoly in the field" (R. IV, 1479; 123 F. (2d) 897).

GOODRICH, *J.,* in his dissenting opinion did not see why it follows that if Japanese '563 discloses two processes, one skilled in the art would choose the operable one; that with equal plausibility it could be argued that he would choose the inoperable one in the belief that it was safer, doubting that air would be inactive under the circumstances but feeling that nitrogen surely would; that Shimadzu had not got down to the substance of his invention in Japanese '563 and that Japanese '563 and U. S. '149 are not substantially identical; "that Shimadzu would have had a bad time if the American patent had been issued in the terms of '563" and "If he could not have upheld it then, it seems to me that it should not stand in his way now" (R. IV, 1482; 123 F. (2d) 899).

Claim 1 of U. S. '149 was held to be "invalid by reason of the prior art" by the District Court (R. IV, 1308; 35

F. Supp. 745, 750), although the record shows that Shimadzu was a pioneer inventor of the process of U. S. '149. This holding was concurred in by the Circuit Court of Appeals. Neither Court specified what prior art it considered to be of invalidating effect, although the Circuit Court of Appeals held it to be "for substantially the same process as that claimed in the claims of (Japanese) '728" (R. IV, 1480; 123 F. (2d) 897) application for which was filed after August, 1919, the date of invention of the process of U. S. '149.

Effect of the Decisions Below on the Question of Whether U. S. '150 Is Now Invalidated By Prior Public Use.

As a result of its previous consideration of this case, this Court held the claims in issue of U. S. '150 to be invalid by reason of defendant's public use of the process thereof which commenced during June, 1921, more than two years prior to July 14, 1923, the filing date of the application for U. S. '150.

Application for U. S. '149 was filed January 30, 1922, well within the two-year period commencing June, 1921. Accordingly, this Court held that "The defense of prior public use is not made out against patent 1,584,149, for which application was filed January 30, 1922" (R. IV, 1290; 307 U. S. 20, 21).

The District Court and the Circuit Court of Appeals in the proceedings after remand have concurrently held that U. S. '149 and U. S. '150, *applications for which were copending, disclose the same invention.*

Plaintiffs, therefore, find themselves in this incongruous position: U. S. '150 has been held invalid by this Court on

the ground of prior public use and, pursuant to its mandate, the bill has been dismissed as to this patent. On remand, U. S. '150 and U. S. '149 have now been held concurrently below to disclose the same invention. U. S. '150 contains a group of claims found in Appendix (pp. 3, 4) which read upon the disclosure of U. S. '149. Under the applicable decisions of this Court and the foregoing facts those claims are entitled to the earlier filing date of U. S. '149 for the purpose of overcoming the defense of prior public use. However, because of the mandate of this Court, plaintiffs are unable to obtain relief from their position, now clearly revealed to be inequitable, except from this Court.

Questions Presented

(1) In holding invalid U. S. Letters Patent 1,584,149 by reason of the patenting of the invention thereof in Japanese Patents 41,728 and 42,563, applications for which were filed more than twelve months prior to the filing of the application for the aforesaid U. S. Patent, has not the Circuit Court of Appeals decided a question previously set at rest by this Court in a manner contrary to this Court's decision and mandate and thus departed from the accepted and usual course of judicial proceedings?

(2) Where defendant, in urging Japanese Patents 41,728 and 42,563 as a defense under R. S. 4887 against U. S. Letters Patent 1,584,149, has maintained before both lower courts, in the proceedings after remand, that the processes thereof are different from that now concurrently found by the lower courts to be covered by U. S. Letters Patent 1,584,149, did not the Circuit Court of Appeals, in sustaining said defense, decide an important question of federal law in a manner probably in conflict with the ap-

plicable decisions of this Court and of other Circuit Courts of Appeals?

(3) In considering the effect of foreign patents urged as a defense under R. S. 4887, may the court below disregard the teachings of the foreign patents which expressly limit the processes of the foreign patents to one completely different from that disclosed and claimed in a U. S. Patent against which the foreign patents are being urged?

(4) If a foreign patent urged as a defense under R. S. 4887 is held to claim alternatively *in the same claims* two inconsistent processes, one of which might be operable and the other of which is inoperable, may the inoperable process be completely disregarded and the operable process said to be the invention of the foreign patent, for the purpose of invalidating an otherwise meritorious U. S. Patent?

(5) Was not defendant, in effect, estopped from urging after remand that Japanese Patents 41,728 and 42,563 are for the same invention as U. S. Letters Patent 1,584,149 and, therefore, a bar to the latter under R. S. 4887, for the reason that it previously represented to this Court in support of one reason for granting its petition for writ of certiorari and again on the argument of the case before this Court, that Shimadzu filed no applications anywhere for the inventions of his U. S. Patents in suit from the day he made his inventions until he filed his U. S. applications therefor?

(6) Where one patent is held invalid by this Court by reason of prior public use and the bill is dismissed as to it pursuant to this Court's mandate, but another patent to the same inventor applied for earlier, *applications for*

both of which patents were copending in the U. S. Patent Office, is remanded to the courts below for further proceedings and, upon such proceedings, the remanded patent is concurrently held by the courts below to disclose the same invention as the invalidated patent, are not the claims in the invalidated patent which read on the disclosure of the remanded patent entitled to the benefit of the earlier filing date of the application for the remanded patent, for the purpose of overcoming the defense of prior public use, the sole ground upon which this Court invalidated the later filed patent?

(7) Where it has been established on the record that Shimadzu was a pioneer inventor of the process of the patent in suit, can there be any "prior art" in respect thereof?

Reasons Relied Upon for Allowance of the Writ

The discretionary power of this Court to grant the writ of certiorari is invoked upon the following grounds:

I

In holding U. S. patent 1,584,149 to be invalid under R. S. 4887 by reason of the patenting of the invention thereof in a foreign country on an application filed more than twelve months prior to the filing of the application for the aforesaid U. S. patent, the Circuit Court of Appeals decided a question previously set at rest to the contrary by this Court and thus so far departed from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

II

In allowing the defendant to prevail on a defense, the establishment of which required defendant to repudiate representations which it made to this Court and upon which it relied in seeking a review of the case by this Court by petition for writ of certiorari and in presenting the case on argument, the Circuit Court of Appeals so far departed from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

III

Where a party urging foreign patents as a bar to a U. S. patent under R. S. 4887 maintains, in proceedings below after remand that the processes of such patents are different from that ultimately found concurrently by the courts below to be covered by the U. S. patent, the Circuit Court of Appeals, in sustaining said defense notwithstanding, has decided an important question of Federal law in a manner probably in conflict with the applicable decisions of this Court and of other Circuit Courts of Appeals.

IV

Where a foreign patent urged as a defense under R. S. 4887 has been held by the Circuit Court of Appeals to claim alternatively *in the same claims* two inconsistent processes, one of which is operable and the other inoperable and that Court has disregarded the inoperable process and the inconsistency of the entire document and held that the operable process constitutes the invention of the foreign patent for the purpose of invalidating an otherwise meritorious U. S. patent, the court below has decided an important question of Federal law probably in conflict with applicable decisions of

other Circuit Courts of Appeals, which has not been but should be settled by this Court.

V

Where it has been established on the record that Shimadzu was a pioneer inventor of the process of U. S. '149, thereby negativing the existence of prior art in respect thereof, in holding that claim 1 thereof is invalid in view of prior art without particularizing as to which prior art was considered to be of invalidating effect, the Circuit Court of Appeals decided an important question of Federal law which has not been but should be decided by this Court.

VI

Where one patent is held invalid by this Court solely by reason of prior public use and the bill is dismissed as to it pursuant to this Court's mandate, but another patent to the same inventor applied for earlier, *applications for both of which patents were copending in the U. S. Patent Office,* is remanded to the courts below for further proceedings and, upon such proceedings, the remanded patent is concurrently held by the courts below to disclose the same invention as the invalidated patent, and it manifestly appears that, under the applicable decisions of this Court, the claims in the invalidated patent which read on the disclosure of the remanded patent are entitled to the benefit of the earlier filing date of the application for the remanded patent, and said remanded patent is not subject to the prior public use bar, the sole ground upon which this Court invalidated the later filed patent, but the courts below have no jurisdiction under the aforesaid mandate to apply the law established by this Court and plaintiffs likewise cannot there seek remedy, there arises a novel question of

Federal law, apparently without precedent, which has not been but should be reviewed and settled by this Court in order to do complete equity and to avoid confusion.

WHEREFORE your petitioners respectfully pray that a writ of certiorari be issued out of and under the seal of this Court directed to the United States Circuit Court of Appeals for the Third Circuit commanding said Court to certify and send to this Court on a day to be designated a full transcript of the record of all proceedings of the said Circuit Court of Appeals in this cause to the end that this case may be reviewed and determined by this Court; that the judgments and orders of the said Circuit Court of Appeals for said Circuit be reversed and that petitioners be granted such other and further relief as to this Honorable Court may seem just and proper.

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners.

by GEO. WHITEFIELD BETTS, JR.,
GEORGE H. SOUTHER,
GEORGE YAMAOKA,
Counsel for Petitioners.

BRIEF IN SUPPORT OF PETITION

Statement

The attention of the Court is respectfully invited to the petition, which contains a statement of the facts and other matters here pertinent. In the interest of brevity these will not be repeated.

Specifications of Error

The Circuit Court of Appeals for the Third Circuit erred in the instant case:

(1) In holding that "The Supreme Court expressly left open all questions relating to the validity of '149 or its infringement by the appellant's processes, aside from the defense of prior public use which was held not to have been made out."

(2) In holding that the invention of Japanese Patent 42,563 is substantially identical with that of claim 2 of U. S. Patent 1,584,149.

(3) In holding that the invention of Japanese Patent 41,728 is substantially identical with that of claim 1 of U. S. Patent 1,584,149.

(4) In holding that claim 1 of U. S. Patent 1,584,149 is invalid in view of the prior art.

(5) In not holding claims 1 and 2 of U. S. Patent 1,584,-149 to be good and valid in law.

(6) In holding that "where an operable process is claimed (alternatively in the same claims) in a patent with

an inoperable one, the operable one must be held to constitute the invention."

(7) In holding that the heavy burden of proof resting on defendant to establish identity of invention between Japanese Patents 41,728 and 42,563 and U. S. Patent 1,584,149 has been met.

(8) In holding that if Japanese Patent 42,563 "had been issued in this country, we think that Shimadzu would have been entitled to a monopoly in the field."

(9) In failing to concur in the views expressed in the dissenting opinion of said court.

(10) In holding invalid U. S. Patent 1,584,149 under the patent statutes by reason of the patenting of the invention thereof in Japanese Patents 41,728 and 42,563, a question previously set at rest by this Court.

(11) In not holding Japanese Patents 41,728 and 42,-563 are expressly limited to processes completely different from that disclosed and claimed in U. S. Patent 1,584,149.

(12) In holding that under the patent statutes Japanese Patent 42,563, disclosing and claiming two inconsistent processes alternatively in the same claims, one of which might be operable and the other of which is inoperable, invalidates claim 2 of U. S. Patent 1,584,149.

(13) In not holding that Japanese Patent 42,563, disclosing and claiming two inconsistent processes alternatively in the same claims, is not a bar to the validity of U. S. Patent 1,584,149 under the patent statutes.

(14) In not holding that defendant is estopped from urging after remand by this Court that Japanese Patents 41,728 and 42,563 are for the same invention as U. S. Patent 1,584,149 under the patent statutes.

(15) In holding that a person skilled in the art following the disclosure of U. S. Patent 1,584,149, covering "an operable process, the same invention claimed" in U. S. Patent 1,584,150, would obtain similar results by following the teachings of Japanese Patent 42,563.

(16) In not holding that Japanese Patent 42,563 teaches, discloses and claims the use of air in an inert manner.

(17) In holding that a person skilled in the art following the teachings of Japanese Patent 42,563, disclosing and claiming in the same claims two inconsistent processes alternatively "one, operable to produce substantial quantities of lead powder; the other, inoperable to that end", would be presumed to choose the operable process.

(18) In holding that under the patent statutes Japanese Patents 41,728 and 42,563 invalidate claims 1 and 2 respectively of U. S. Patent 1,584,149.

(19) In not reversing the decree of the District Court holding claim 1 of U. S. Patent 1,584,149 invalid in view of prior art.

(20) In not affirming the decree of the District Court that claim 2 of U. S. Patent 1,584,149 is valid and infringed.

(21) In not awarding plaintiffs an injunction and an accounting as prayed for in the bill of complaint.

ARGUMENT

POINT I

In holding invalid U. S. Patent 1,584,149 under R. S. 4887 by reason of the patenting of the invention thereof in a foreign country on an application filed more than twelve months prior to the filing of the application for the aforesaid U. S. Patent, the Circuit Court of Appeals decided a question previously set at rest to the contrary by this Court and thus so far departed from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

When a case has been decided by this Court and remanded to the lower courts, whatever was before this Court and determined by it must be considered as finally settled as the law of the case. Especially is this so where the parties and the record in the proceedings, as here, are the same. (*In re Sanford Tool Co.*, 160 U. S. 247.)

Likewise, the rulings and findings of the District Court concurred in by the Circuit Court of Appeals and either adopted or not set aside by this Court on review are no longer open to question as between the parties. (*General Talking Pictures Corp.* v. *Western Electric Co.*, 304 U. S. 175, 178; *Alabama Power Co.* v. *Ickes*, 302 U. S. 464.)

In applying this well established rule of law to the present case, we find the following:

(1) Defendant in its answer pleaded that Japanese '728, application for which was filed November 20, 1920 and which thereafter issued on February 13, 1922, and Japanese '563,

application for which was filed November 27, 1920 and which thereafter issued on May 10, 1922, constituted a bar under R. S. 4887 to U. S. '149 (R. I. 29, 34).

(2) The District Court, after careful examination of these Japanese patents, held that they were not for the same inventions as the patents then in suit, including both U. S. '149 and '150, and held claims 1 and 2 of U. S. '149 valid and infringed (R. II 1169-1172, 1187, 1189; 17 F. Supp. 42).

(3) The Circuit Court of Appeals for the Third Circuit affirmed the decree below (R. IV 1272; 98 F. [2d] 831).

(4) Defendant in its petition for certiorari to this Court acknowledged that it was bound by the concurrent findings of the courts below as to this issue (No. 441 October Term 1938) and stated (p. 3):

> *"The courts below found that he* (Shimadzu) *had no foreign patent equivalent to his patent No. 1,584,149."*

After certiorari was granted, defendant (then petitioner) in its brief on argument (p. 4) conceded:

> *"The questions here presented arise from facts not disputed and from concurrent findings of fact of both courts below."*

(5) This Court in its opinion took the defendant at its word that no controversy of fact was involved and that defendant conceded that it must accept the concurrent findings of the courts below (R. IV 1280; 307 U. S. 5, 9).

In addition, although this Court took cognizance of the state of the pleadings and the record before it as to this issue, it did not disturb the findings below.

(6) As the District Court stated that the validity of U. S. '149 might be doubtful *in view of the prior art*, this Court held that the defendant was entitled to a re-examination of the questions of validity and infringement as to this patent, and remanded the cause to the District Court for this purpose.

(7) Upon remand the District Court again held claim 2 of U. S. '149 valid and infringed but claim 1 thereof to be invalid in view of the prior art (R. IV 1311; 35 F. Supp. 745). Although defendant vigorously contended that Japanese '728 and '563 under R. S. 4887 invalidated U. S. '149, that court, in conformity with its original opinion, did not so find. Plaintiffs there contended that this issue was no longer open as between the parties.

(8) Defendant appealed to the Circuit Court of Appeals for the Third Circuit because the decree held claim 2 of U. S. '149 valid and infringed, and plaintiffs appealed from that part of the decree below holding claim 1 to be invalid.

The Circuit Court of Appeals, notwithstanding the foregoing and the law of the case as settled by the applicable decisions of this Court and of other Circuit Courts of Appeals, permitted defendant to prevail by holding that Japanese '728 and '563 are substantially identical with the invention claimed in claims 1 and 2 respectively of U. S. '149.

The above brief review reveals conclusively that defendant had its day in court on the issue of whether Shimadzu's Japanese patents constitute a bar to U. S. '149 under R. S. 4887; that this issue was resolved against defendant by the concurrent holdings of the courts below, which on certiorari were not disturbed by this Court. The defendant should not have been permitted to resurrect this defense in the proceedings on remand.

If the decision of the Circuit Court of Appeals is permitted to stand, there would be no end to the determination of issues between the same parties and the established rule as to the finality of concurrent findings in the federal courts would be thrown into confusion. Manifestly the Circuit Court of Appeals by its decision has so far departed not only from the settled law but from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision. *Sibbald* v. *United States,* 12 Peters 488; *Illinois* v. *Ill. Central R. R. Co.,* 184 U. S. 77; *Sorensen* v. *Pyrate Corp.,* 65 F. (2d) 982 and cases cited.

POINT II

In allowing the defendant to prevail on a defense, the establishment of which required defendant to repudiate representations which it made to this Court and upon which it relied in seeking a review of the case by this Court by petition for writ of certiorari and in presenting the case on argument, the Circuit Court of Appeals so far departed from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

When this case was previously in this Court on certiorari, defendant (then petitioner) in its petition to this Court for certiorari in No. 441, October Term 1938, advanced three reasons for allowance of the writ. The third reason was as follows (Defendant's Petition for Certiorari, p. 7):

> "(3) In holding valid a United States patent granted to one who had made an invention in a foreign country, but who withheld and suppressed it for a

long period of time and did not file an application for a U. S. patent therefor *until more than two years after the thing subsequently patented had been brought into commercial use by others in this country,* the Court below decided an important question of federal law in a way probably in conflict with an applicable decision of this Court."

In its brief on argument (p. 31) defendant stated:

"As Shimadzu was filing applications for patents in Japan and elsewhere after August 1919, *but delayed filing any application anywhere for the inventions of the patents here in suit until long after the same or like inventions had gone into commercial use in this country,* it would seem manifest under the foregoing authorities that the inventions of the patents in suit (including U. S. '149) and each of them must be deemed to have been concealed, suppressed or abandoned and that those patents must therefore be adjudged invalid."

August 1919 has been established as the date when Shimadzu made the invention of U. S. '149.

The commercial use above referred to is defendant's commercial use, which has been established as having commenced during June 1921.

Applications for both Japanese '728 and '563 were filed during the period between August 1919 and June 1921.

Application for U. S. '149 was filed January 30, 1922, well within two years of June 1921. Defendant has, therefore, admitted that neither of these Japanese patents is for the invention of the U. S. '149.

In addition, defendant conceded that the questions then presented to this Court arose from facts not disputed and from concurrent findings of fact of both courts below. On

the basis of the foregoing record this Court rendered its previous decision in this case (307 U. S. 5).

Plainly, therefore, the Circuit Court of Appeals in entertaining and sustaining the defense that Japanese '728 and '563 constituted bars to the validity of U. S. '149 has so departed from the accepted and usual course of judicial proceedings as to call for the exercise of this Court's power of supervision.

Should this Court sanction such practices by parties litigant, the orderly rule of law established to the contrary by this Court and other Circuit Courts of Appeals would be rendered meaningless.

This Court, in *Davis* v. *Wakelee,* 156 U. S. 680, 689, stated:

> "It may be laid down as a general proposition that, where a party assumes a certain position in a legal proceeding, and succeeds in maintaining that position, he may not thereafter, simply because his interests have changed, assume a contrary position, especially if it be to the prejudice of the party who has acquiesced in the position formerly taken by him."

See also, *Phila., Wilmington & Baltimore R. R. Co.* v. *Howard,* 13 How. 307, 337; *Michaels* v. *Olmsted,* 157 U. S. 198; *Officer* v. *J. L. Owens Co.,* 252 Fed. 337 (8 C. C. A.); *Davis* v. *Cornwall,* 68 Fed. 522, 524 (2 C. C. A.); *Smith* v. *Boston Elev. Ry. Co.,* 184 Fed. 387, 389, 390 (1 C. C. A.); *Kintner* v. *Atlantic Communication Co.,* 240 Fed. 716 (2 C. C. A.).

POINT III

Where a party urging foreign patents as a bar to a U. S. patent under R. S. 4887 maintains, in proceedings below after remand that the processes of such patents are different from that ultimately found concurrently by the courts below to be covered by the U. S. patent, the Circuit Court of Appeals, in sustaining said defense notwithstanding, has decided an important question of Federal law in a manner probably in conflict with the applicable decisions of this Court and of other Circuit Courts of Appeals.

Defendant consistently contended in all the proceedings heretofore had herein that U. S. '149 was inoperative.

It also consistently contended that although Japanese '728 and '563 are inoperative, they are for the same invention as claims 1 and 2 respectively of U. S. '149; that these patents teach that oxidation is to be avoided and that the only function of the air in U. S. '149 and Japanese '563 is to blow the powder, when formed, from the mill; that these patents instruct the avoidance of elevated temperature (Appendix, pp. 5, 6).

The parties are in accord that without oxidation or elevated temperature, no product can be produced.

The courts below, however, have concurrently found that the inventions of U. S. '149 and U. S. '150 are the same, that both are operable and constitute an invention of "high order" that revolutionized the art.

Not only has defendant failed to sustain its heavy burden of establishing identity of invention between the Japanese patents and U. S. '149, it has never even contended that either Japanese '728 or '563 is for the meritorious process which the courts below have concurrently found to be covered by U. S. '149.

The Circuit Court of Appeals notwithstanding held that the two Japanese patents are for substantially the identical invention of U. S. '149.

It will, therefore, at once be seen that the contention advanced by the defendant in the proceedings heretofore had and the decision of the Circuit Court of Appeals are based on wholly different grounds.

It is axiomatic that a defendant bears a heavy burden in invalidating a meritorious invention covered by a U. S. patent. Particularly is this so where a foreign patent is pleaded as a bar under the patent statutes. *Westinghouse* v. *Stanley,* 138 Fed. 823 (1 C. C. A.); *Davis* v. *Milburn,* 1 F. (2d) 227 (2 C. C. A.); *American Tri-Ergon Corp.* v. *Paramount Publix,* 71 F. (2d) 153 (2 C. C. A.); *Stead Lens Co.* v. *Kryptok Co.,* 214 Fed. 368 (8 C. C. A.).

The effect of the decision below is that, contrary to the contention of defendant, the Circuit Court of Appeals, on a different ground than that advanced, has invalidated a valuable U. S. patent. Obviously such a holding on an important question of Federal law of general interest in conflict with the applicable decisions of other Circuit Courts of Appeals should be reviewed and settled by this Court.

POINT IV

Where a foreign patent urged as a defense under R. S. 4887 has been held by the Circuit Court of Appeals to claim alternatively IN THE SAME CLAIMS two inconsistent processes, one of which is operable and the other inoperable, and that Court has disregarded the inoperable process and the inconsistency of the entire document and held that the operable process constitutes the invention of the foreign patent for the purpose of invalidating an otherwise meritorious U. S. patent, the court below has decided an important question of Federal law probably in conflict with applicable decisions of other Circuit Courts of Appeals, which has not been but should be settled by this Court.

Japanese '563 urged by the defendant and sustained by the Circuit Court of Appeals as a defense under R. S. 4887 as comprising the identical invention of claim 2 of U. S. '149, discloses that the invention is an improvement over Japanese '728 and "consists of blowing *air or some other kind of inactive gas like nitrogen* into a rotating vessel, while it is rotating, to forcibly blow out all the particles" and claims the step of "blowing currents of *air or other inactive gases* into the vessel during rotation to force the small particles produced by rubbing out of the vessel" *in the same claims* (R. III, 1251-1254).

The District Court found that the words "or other inactive gases" were words of limitation with respect to the word "air," that this patent "must be read as a disclosure of the use of an inert or inactive medium which will not oxidize lead, and as nothing more" (R. IV, 1444; 35 F. Supp. 748).

The Circuit Court of Appeals held that Japanese '563 discloses both an operable and an inoperable process by reason of the use of the words "air or other inactive gases." It apparently confused the real meaning and import of this phrase. It stated:

> "While we think that the phrase contained in '563 'or some other kind of inactive gas, like nitrogen' may serve to qualify the word 'air' which immediately precedes it, even if this were not so and the quoted phrase be given a separate and distinct meaning apart from its context and unconnected with the preceding word 'air,' Shimadzu, none the less, disclosed a process which was as fully operable to a person skilled in the art as that disclosed by '150. In fact in '563 the inventor has claimed two processes: one, operable to produce substantial quantities of lead powder; the other, inoperable to that end. * * * We think that where an operable process is claimed in a patent with an inoperable one, the operable process must be held to constitute the invention" (R. IV, 1479; 123 F. (2d) 890, 897).

It is thus obvious that the Circuit Court of Appeals fell into a series of errors in its disposition of this point, in that

(1) It held that in the expression "air or some other inactive gas, like nitrogen" the words "or some other kind of inactive gas, like nitrogen" were used to qualify the word "air," and at the same time that these words set forth two processes, one operable and the other inoperable. Obviously these interpretations are mutually exclusive.

(2) It then evolved its novel ruling, set forth above, with respect to a foreign patent which claims both an operable and an inoperable process, in the alternative *in the same claims,* as a defense under R. S. 4887 to a U. S. patent disclosing and claiming only an operable process.

The injustice of such a ruling is readily apparent. It may frequently result in the invalidating of otherwise meritorious U. S. patents by reason of prior foreign patents which may, by judicial construction, be limited so as to read on the invention of the U. S. patent but which, when considered in their entirety, are found to be for a radically different invention.

> "A document so obscure in its terminology that two conflicting theories may be deduced therefrom and supported by equally plausible arguments is too indefinite to be utilized as an anticipation." (*Cimiotti Unhairing Co.* v. *Comstock Unhairing Co.*, 115 Fed. 524.)

The rule is well established in other Circuit Courts of Appeals that

> "A patent, like any other instrument of conveyance or grant, may be of doubtful meaning, or it may contain several meanings suitable to varying expected conditions; but it cannot have two meanings inconsistent with each other." (*Kintner* v. *Atlantic Communication Co.*, 240 Fed. 716, 720, 721 (2 C. C. A.).)

See also, *Atlantic, Gulf & Pacific Co.* v. *Wood*, 288 Fed. 148 (5 C. C. A.); *Hillard* v. *Fisher Book Typewriter Co.*, 159 Fed. 439 (2 C. C. A.); *Stead Lens Co.* v. *Kryptok Co.*, 214 Fed. 368 (8 C. C. A.).

It is also firmly settled that a foreign patent to be a bar to a U. S. patent under R. S. 4887 must be valid. *Cimiotti Unhairing Co.* v. *Comstock Unhairing Co.*, 115 Fed. 524 (C. C. S. D. N. Y.); *Hennebique Const. Co.* v. *Myers*, 172 Fed. 869 (3 C. C. A.).

It is likewise well settled that a U. S. patent may not be invalidated under R. S. 4887 by a foreign patent unless

the invention claimed in the foreign patent is identical with that of the former. *Leeds & Catlin Co.* v. *Victor Talking Machine Co.*, 213 U. S. 301; *American Tri-Ergon Corp.* v. *Paramount Publix*, 71 F. (2d) 153 (2 C. C. A.), reversed on other grounds 294 U. S. 464.

It is apparent that as to this point the court below decided an important question of Federal law contrary to the applicable decisions of other Circuit Courts of Appeals.

It is not believed that this precise question has been decided by this Court. The decision below raises an important problem of general interest which should be settled by this Court.

POINT V

Where it has been established on the record that Shimadzu was a pioneer inventor of the process of U. S. '149, thereby negativing the existence of prior art in respect thereof, in holding that claim 1 thereof is invalid in view of prior art without particularizing as to which prior art was considered to be of invalidating effect, the Court of Appeals decided an important question of Federal law which has not been but should be decided by this Court.

Both the District Court and the Circuit Court of Appeals have assigned to Shimadzu the status of a pioneer inventor of the process of U. S. '149. No one prior to his invention was able to develop a process for manufacturing the finely divided lead product which Shimadzu obtains so readily and economically and which is so eminently suited for use in the manufacture of active material for storage

battery plates, by rumbling pieces of lead in a dry state in a rotatable mill.

The Circuit Court of Appeals in discussing this point stated:

> "By blowing air into the cylinder Shimadzu revolutionized the art of making fine lead powder" (R. IV, 1476; 123 F. (2d) 890, 896).

The existence of a pioneer invention would appear to exclude the existence of any prior art in respect thereof. Neither the District Court nor the Circuit Court of Appeals in holding claim 1 of U. S. '149 invalid "in view of the prior art" particularized as to which prior art was considered to be of invalidating effect.

The novel question which should be settled by this Court is whether, where the lower courts have by concurrent holdings established that the process of the patent in suit is a pioneer invention, thereby negativing the existence of prior art, said lower courts may at the same time hold a claim of the patent to be invalid "in view of the prior art" without particularizing as to what prior art is responsible for the invalidating of the claim. In the instant case the indications are that there is none.

It is important that this Court should decide the foregoing question for the benefit of all future parties plaintiff in patent infringement suits to the end that issues of validity shall be more clearly resolved.

POINT VI

Where one patent is held invalid by this Court solely by reason of prior public use and the bill is dismissed as to it pursuant to this Court's mandate, but another patent to the same inventor applied for earlier, applications for both of which patents were copending in the U. S. Patent Office, is remanded to the courts below for further proceedings and, upon such proceedings, the remanded patent is concurrently held by the courts below to disclose the same invention as the invalidated patent, and it manifestly appears that, under the applicable decisions of this Court, the claims in the invalidated patent which read on the disclosure of the remanded patent are entitled to the benefit of the earlier filing date of the application for the remanded patent, and said remanded patent is not subject to the prior public use bar, the sole ground upon which this Court invalidated the later filed patent, but the courts below have no jurisdiction under the aforesaid mandate to apply the law established by this Court and plaintiffs likewise cannot there seek remedy, there arises a novel question of Federal law, apparently without precedent, which has not been but should be reviewed and settled by this Court in order to do complete equity and to avoid confusion.

The District Court in its opinion on remand (R. IV, 1445, 1446, 35 F. Supp. 749) held that U. S. '149 and U. S. '150 are for the same invention, U. S. '150 being an elaboration of what was inherent in U. S. '149.

The Circuit Court of Appeals held that " '149 discloses an operable process, the same invention claimed in '150,

and this serves to limit the issues before us" (R. IV, 1478, 123 F. (2nd) 897).

The application for U. S. '149 was filed January 30, 1922; that for U. S. '150 on July 14, 1923. When this case was previously considered by this Court it found the claims in suit of U. S. '150 (and of U. S. '020 as well) to be invalid solely by reason of defendant's commercial production commenced during June 1921, and remanded the case to the District Court with directions to dismiss the bill as to those two patents. This Court further held that "The defense of prior public use is not made out against patent 1,584,149," it having been filed well within the two year period dating from the commencement of defendant's commercial production (R. IV, 1290, 1291; 307 U. S. 20, 21).

This Court has established the rule that where two patents issued to the same inventor were copending in the Patent Office, but the applications therefor were filed on different dates, those claims in the patent maturing on the later filed application which read upon the disclosure of the patent maturing on the earlier filed application are given the filing date of the earlier for substantially all purposes.

This Court in *Chatman et al.* v. *Wintroath,* 252 U. S. 126, 137, said:

> "To this we must add that not only have later or divisional applications not been dealt with in a hostile spirit by the courts, but, on the contrary, designed as they are to secure the patent to the first discoverer, they have been favored to the extent that where an invention clearly disclosed in an application, as in this case, is not claimed therein but is subsequently claimed in another application, the original will be deemed a constructive reduction of the invention to practice and the later one will be

> given the filing date of the earlier, with all of its priority of right. *Smith & Griggs Manufacturing Co.* v. *Sprague,* 123 U. S. 249, 250; *Von Recklinghausen* v. *Dempster,* 34 App. D. C. 474, 476, 477."

Likewise, in *Smith* v. *Goodyear Dental Vulcanite Co. et al.,* 93 U. S. 486, 501, this Court treated a later (1864) application as "continuous" with respect to an earlier (1855) application to avoid an alleged public use by others than the patentee himself which occurred in 1859, or more than two years prior to the second application but not more than two years prior to the first application.

It is the firmly settled law that as between copending applications a claim in the later-filed case directed to subject matter disclosed in the earlier-filed case is entitled to the benefit of the filing date of the earlier-filed case as against allegations of a two-year public use bar *Godfrey* v. *Eames,* 1 Wallace 317; *Singer* v. *Braunsdorf,* 7 Blatchf. 521, Fed. Case No. 12,897; *Novadel Process Corp.* v. *J. P. Meyer & Co.,* 35 F. (2d) 697 (C. C. A. 2); *General Electric Co.* v. *Independent Lamp & Wire Co., Inc.,* 267 F. 824, 836; *Hayes-Young Tie Plate Co.* v. *St. Louis Transit Co.,* 137 F. 80, 82 (C. C. A. 8); *Edison* v. *Allis-Chalmers Co. et al.,* 191 F. 837, 843.

Plaintiffs thus find themselves in a highly inequitable position which has become glaringly apparent from the concurrent holdings of the lower courts after remand of the identity of the inventions of '149 and '150. However, in view of the mandate of this Court, which directed dismissal of the bill as to '150, they are unable to obtain relief other than by way of review by this Court.

Conclusion

For the foregoing reasons it is believed that this Court should grant the writ of certiorari as prayed for in the petition to the end that the fundamental questions of patent law here involved may be reviewed and settled by this Court and the judgment of the court below reversed.

Respectfully submitted,

Geo. Whitefield Betts, Jr.,
George H. Souther,
George Yamaoka,
Counsel for Petitioners.

February 14, 1942

APPENDIX

CONTAINING REVISED STATUTES 4886 AND 4887

being respectively

Secs. 31 and 32 of Title 35, U. S. C.

and

TRADING WITH THE ENEMY ACT, TITLE 50 U. S. C., SECTION 10, SUBDIVISION (g)

TOGETHER WITH CLAIMS 1 AND 2 OF U. S. PATENT 1,584,149; CLAIMS 1, 2, 3, 9, 11 AND 12 OF U. S. PATENT 1,584,150; AND CLAIMS 1, 2 AND 3 OF JAPANESE PATENT 42,563;

and also

EXCERPT FROM DEFENDANT'S BRIEF BEFORE CIRCUIT COURT OF APPEALS ON SECOND APPEAL, AT PP. 24, 25.

APPENDIX

Containing Revised Statutes 4886 and 4887

Being Respectively

§§ 31 and 32 of Title 35, U. S. C.

R. S. 4886:

"Section 31. *Inventions patentable.* Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, not known or used by others *in this country,* before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than two years prior to his application, and not in public use or on sale in this country for more than two years prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor. (R. S. § 4886; Mar. 3, 1897, c. 391, § 1, 29 Stat. 692.)"

R. S. 4887:

"§ 32. *Inventions previously patented abroad.* No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than twelve months, in cases within the provisions of section 31 of this title, and four months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for patent for the same invention, discovery, or design was first filed in such foreign country, provided the application in this country is filed within twelve months in cases within the provisions of section 31 of this title, and within four months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more than two years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than two years prior to such filing. (R. S. § 4887; Mar. 3, 1897, c. 391, § 3, 29 Stat. 693; Mar. 3, 1903, c. 1019, § 1, 32 Stat. 1225.)"

Claims of U. S. Patent 1,584,149

"1. A method of forming a finely divided chemically reactive lead powder of such fineness and activity as to be readily changed chemically on contact with air, which comprises introducing relatively large masses of lead into a rotatable vessel, rotating said vessel at a relatively low speed and forming said lead powder by attrition of said lead masses resulting from the rubbing of said masses against each other.

"2. A method of forming a finely divided chemically reactive lead powder of such fineness and ac-

tivity as to be readily changed chemically on exposure to air, which comprises introducing relatively large masses of lead into a rotatable vessel, rotating said vessel at a relatively low speed, introducing a current of air into said vessel, forming said lead powder by attrition of said lead masses resulting from the rubbing of said lead masses against each other, and removing the said powder from said vessel by means of said current of air." (R. III, 1222.)

Claims of U. S. Patent 1,584,150

"1. A process of manufacturing a fine powder of lead suboxide intermingled with powder of metallic lead, comprising in putting pieces of metallic lead in a rotatable vessel in a dry state, introducing into the said vessel currents of an oxidizing gas to oxidize the surface of the lead while rotating the said vessel, and abrading off the oxide formed on the surface."

"2. A process of manufacturing a fine powder of lead suboxide intermingled with powder of metallic lead, comprising in putting in a rotatable vessel pieces of metallic lead in a dry state, introducing into the said vessel while rotating blasts of a gas containing oxygen, such as air, causing such blast to blow the powder produced out of the vessel."

"3. A process of manufacturing a fine powder of lead suboxide intermingled with powder of metallic lead comprising in putting pieces of metallic lead in a dry state into a rotatable vessel, and delivering an oxidizing gas into the vessel while revolving the same."

"9. A method of forming a finely divided powder containing a large proportion of oxidized lead which comprises impinging a current of air on lead masses in a dry state, abrading the lead masses, and controlling the temperature to obtain a finely divided powder containing a large proportion of oxidized lead."

"11. A method of forming a finely divided powder containing a large proportion of oxidized lead which comprises impinging a current of air on lead masses in a dry state, abrading the lead masses, and controlling the current of air to obtain a finely divided powder, containing a large proportion of oxidized lead."

"12. A method of forning a finely divided powder containing a large proportion of oxidized lead comprising impinging a current of air on lead masses in a dry state, abrading the lead masses, and controlling the temperature and current of air to obtain a finely divided povder containing a large proportion of oxidized lead." (R. III, 1224, 1225.)

Claims of Japanese Patent 42,563

"(1) In order to achieve the object recorded earlier in this record, a method of manufacturing chemically reactive lead powder is claimed, a special feature of which is throwing lumps of lead into a rotating vessel, and blowing currents of air or other inactive gases into the vessel during rotation to force the small particles produced by rubbing out of the vessel."

"(2) In order to achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed, as stated in the previous paragraph, which governs the size of the particles by means of the velocity of currents of inblowing air."

"(3) In order to achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed as stated in the preceding paragraphs, which provides for continuously or periodically supplying raw material in the form of lumps of lead at a given rate, and blowing out the finished particles by the force of the wind so that the work is done continuously." (R. III, 1253, 1254.)

Trading with the Enemy Act, Title 50 U. S. C., Section 10, subdivision (g)

"Any enemy, or ally of enemy, may institute and prosecute suits in equity against any person other than a licensee under this act to enjoin infringement of letters patent, trade-mark, print, label, and copyrights in the United States owned or controlled by said enemy or ally of enemy, in the same manner and to the extent that he would be entitled so to do if the United States was not at war; Provided, That no final judgment or decree shall be entered in favor of such enemy or ally of the enemy by any court except after thirty days' notice to the alien property custodian. Such notice shall be in writing and shall be served in the same manner as civil process of Federal Courts."

Excerpt From Defendant's Brief Before Circuit Court of Appeals on Second Appeal at pp. 24-25

"I-B.

BOTH CLAIMS OF PATENT NO. 1,584,149 ARE INVALID FOR WANT OF UTILITY.

In its original opinion, the District Court said:

> 'It was demonstrated conclusively both by witnesses at this trial and by Ishimura in the course of his efforts to develop the process, that, if lead balls are rumbled together in an inert atmosphere, the result will be nil. The balls will simply polish one another and not an ounce of powder will result.'

The witnesses for the respective parties are in accord as to that.

Since the employment of an oxidizing temperature and an oxidizing agent are indispensable *steps*

in the production of powder, and since Shimadzu used neither in patent 41,728, in Patent 42,563 or in Patent '149,—it is clear that these patents are all without utility.

Indeed, plaintiffs, in their brief, assert that 41,728 and 42,563 are both inoperable, and as '149 is for the same invention as those two patents, it would seem self-evident that '149 is likewise and equally inoperable.

Were some theory found under which Japanese Patent 41,728 could be said to be operable, Claim 1 of '149 would be operable for the same reason, but invalid under R. S. 4887. Were 42,563 deemed operable under some theory, the like theory would make Claim 2 of '149 operable, but invalid nonetheless under R. S. 4887." (Italics not ours)

(2)

FILED
MAR 11 1942
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

October Term, 1941.

No. 965.

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY COMPANY,
Respondent.

Brief for Respondent in Opposition to Petition for Writ of Certiorari.

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IN THE

Supreme Court of the United States.

No. 965. October Term, 1941.

GENZO SHIMADZU AND NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY COMPANY,
Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

Previous Decisions.

Original Opinion of the District Court (printed at R. II, 1162, reported in 17 F. Supp. 42).

Supplemental Opinion of the District Court (not included in Record, reported in 36 U. S. P. Q. 25).

Opinion of Circuit Court of Appeals on first appeal (printed at R. IV, 1272; reported in 98 F. (2d) 831).

Opinion of this Court on previous certiorari (printed at R. IV, 1279; reported 307 U. S. 5).

Opinion of the District Court on scope of mandate (not included in Record; reported in 30 F. Supp. 865).

Opinion of the District Court on remand from this Court (printed at R. IV, 1298; reported in 35 F. Supp. 745).

Opinion of Circuit Court of Appeals on second appeal (printed at R. IV, 1467; reported 123 F. (2d) 890).

Statement.

This is a patent infringement suit.

Claims 1 and 2 of Patent 1,584,149 are involved.

Both claims were adjudged invalid by the Court below (R. IV, 1480, 1483) upon an appeal from a decision of the District Court made after the case had been remanded by this Court to the District Court with directions "to proceed in the light of the dismissal as to those patents, to determine whether 1,584,149 is valid and infringed." Rehearing was denied January 5, 1942. (R. IV, 1493.)

When this case was first here, (No. 441, October Term, 1938), this Court said (307 U. S. 5; R. IV, 1279):

> "The courts below have held valid and infringed certain claims of three patents [1] granted to Genzo Shimadzu, a citizen and resident of Japan. The earliest is for a method of forming a finely divided and, consequently, more chemically reactive, lead powder. The second is for a method or process of manufacturing a fine powder composed of lead suboxide and metallic lead and for the product of the process. The third is for an apparatus for the continuous production of lead oxides in the form of a dry fine powder. Such powder is useful in the manufacture of plates for storage batteries". (R. IV, 1279.)
>
> * * *
>
> "The petitioner sought certiorari alleging that the case presents three questions, one which should be settled by this court and two which were decided below contrary to our adjudications.

---

[1] "Patents — Date Granted — Claims

1,584,149	5/11/26	1 and 2
1,584,150	5/11/26	1-4, 6, 8-13
1,896,020	1/31/1933	10 and 11"

"The questions are: In an infringement suit by the owner of a patent for an invention, made but not patented or published abroad, to restrain an innocent use, the inception of which antedates the application for patent, may the plaintiff prove that his actual date of invention was earlier than the commencement of the asserted infringing use? Is the delay of the patentee in this case in applying for patent a bar to relief for alleged infringement? Does commercial use of the patented process and apparatus in the alleged infringer's plant for more than two years prior to the application for patent preclude redress?"

Process claims 1-4, 6, 8-17 of Patent 1,584,150 and apparatus claims 10 and 11 of Patent 1,896,020, the claims of those patents then before this Court, were adjudged invalid because of respondent's two years' prior public use of the Hardinge Mill and process in Philadelphia. The decree was reversed and the cause remanded to the District Court with directions to dismiss the bill as to those patents.[2]

With respect to Patent 1,584,149, this Court said (R. IV, 1290-1291; 307 U. S. 20):

"Fourth. The defense of prior public use is not made out against Patent 1,584,149, for which application was filed January 30, 1922. The defendant's commercial production commenced about six months earlier. The District Court held the patent valid and infringed. *Its claims cover merely a process for the production of a finely divided chemically reactive lead powder by introducing relatively large masses of lead into a rotatable vessel, rotating the vessel at a relatively low speed, forming the powder by attrition resulting from the rubbing of the masses against each other, and blow-*

[2] R. IV, 1292.

ing the powder from the vessel by a current of air. The process and apparatus covered by the other two patents in issue involve use and control of an air current and use and control of temperature within the receptacle for the oxidation of the lead.[3] With respect to 1,584,149, the trial court said:

> " 'Whether or not '149 is for the same process as U. S. patent '150 is immaterial, so far as the question of validity of either is concerned. There is no double patenting involved. The two patents issued on the same day. They both expire on the same day. There can be no extension of the monopoly and one is not prior art against the other.

---

[3] Emphasis throughout this brief is counsel's, unless otherwise noted.

The italicized statement was in affirmance of the views originally expressed by the Trial Court and by the Circuit Court of Appeals. The Trial Court there said (R. II, 1167):

> "Claim 2 of '149 is another process claim of this type, referring to 'a finely divided chemically reactive lead powder of such fineness and activity as to be readily changed chemically on exposure to air'. The air current is introduced into the vessel for the purpose of removing the powder formed by attrition of the lead masses. *This patent contains no suggestion of the oxidizing effect of the air, or of temperature control.*"

The Circuit Court of Appeals, in its original opinion, concluded (R. II, 1225):

> "After a careful examination of the record and briefs, we are of the opinion that the facts found by the learned District Judge are based upon substantial evidence, that he has properly applied the law to these facts and reached correct conclusions.
>
> "Accordingly we affirm the decree upon his opinion."

The italicized portion of this Court's opinion thus became the law of the case. *General Pictures Corp. v. Western*

"'The fact that '149 does not disclose the oxidizing function of the air or refer to the highly important element of the process having to do with the temperature control necessary to its successful operation might throw doubt upon its validity in view of the prior art. This is, of course, upon the assumption that it is not for the same invention as '150. The whole matter however is rather academic since '149 is coincident in duration with '150, and the defendant's process infringes the somewhat more precise, if not narrower, claims of '150.

"'This patent is therefore held valid and infringed.'

"The holding was assigned as error in the Circuit Court of Appeals and is specified as error in the petition for certiorari.

"In view of our decision that 1,584,150 is invalid and of the basis of the decision below respecting 1,584,-149, we think the petitioner is entitled to a reexamination of the questions of the validity and infringement of the latter."

It was so ordered (307 U. S. 5, 22; R. IV, 1292).

After remand by this Court, the District Court, putting aside, it is believed, the law of the case with respect to the construction and meaning of the claims of Patent 1,584,149, reversed its views with respect to that patent and held that Patent 1,584,149 involves oxidation and temperature control (R. IV, 1304-6), that Claim 2 is valid and infringed and that Claim 1, which does not include introduction of air, is invalid by reason of the prior art.

Electric Co., 304 U. S. 175, 178; *Alabama Power Co. v. Ickes*, 302 U. S. 464; *In re Sanford Fork & Tool Co.*, 160 U. S. 247.

Upon cross-appeals to the Circuit Court of Appeals, The Electric Storage Battery Company presented to that Court, these questions:[4]

"I. Are not both claims of patent 1,584,149 invalid,

(a) under R. S. 4887 by reason of Japanese patents 41,728 and 42,563 to Shimadzu;

(b) for want of utility;

(c) for want of invention;

(d) because the amendment to the application changing the revolutions of the mill from 15-25 per *hour* to 15-25 per *minute* was made January 4, 1926 and without supplemental oath?

"II. Does not the law of the case, as well as the patent, prevent reading into patent '149 the oxidation and controlled elevated temperature of patent '150?

"III. Were oxidation and controlled temperature now to be read into patent '149 would it not be invalid,

(a) under R. S. 4888 for inadequate disclosure;

(b) because of defendant's prior commercial public use thereof in its Tudor Mill operations?[5]

---

[4] These questions were stated, as the "Questions Involved", under and pursuant to the Rules of that Court which provide (Rule 14, paragraph 1),

"Assignments of Errors shall not be required except in appeals in criminal cases."

Rule 26, paragraph 3, which requires that the brief of appellant shall contain:

"(b) A statement of the questions involved * * *; ordinarily no point will be considered which is not set forth in or necessarily suggested by the statement of questions involved."

Appendix p. 4a.

[5] Although, when this case was first here, this Court held "the defense of prior public use is not made out

"IV. Does defendant's process infringe patent '149?

"V. Because of their laches, are plaintiffs not barred from all relief?"

The Circuit Court of Appeals affirmed the decree of the District Court adjudging Claim 1 of patent 1,584,149 invalid in view of the prior art, but reversed the decree of the District Court with respect to Claim 2 and adjudged that claim invalid under RS § 4887 (35 U. S. C. § 32) by reason of Japanese Patent 42,563, the application for which was filed more than twelve months prior to the filing of the application for Patent 1,584,149.

---

against 1,584,149 * * *", yet that ruling was made upon the then concurrent decisions of the District Court, the Circuit Court of Appeals, and this Court, that, to quote the words of the District Court (R. II, 1167)

> "this patent contains no suggestion of the oxidizing effect of the air, or of temperature control";

or, as stated by this Court (R. IV, 1290-1291),

> "Its claims cover merely a process for the production of a finely divided chemically reactive lead powder by introducing relatively large masses of lead into a rotatable vessel, rotating the vessel at a relatively low speed, forming the powder by attrition resulting from the rubbing of the masses against each other and blowing the powder from the vessel by a current of air."

The Tudor Mill operation, prior to July 24, 1917, produced a lead oxide powder (DX-78; R. III, 1244-1247). Consequently, if the law of the case is not now to prevail and the function of the air in 1,584,149 is now to be said to involve "use and control of air current and use and control of temperature within the receptacle for the oxidation of the lead", the Tudor Mill commercial operation is invalidating prior public use.

Petition filed herein discloses no valid reason for granting the writ.

The petition filed herein fails to set forth any valid reason why certiorari should be granted.

No question of "importance to the public, as distinguished from that of the parties", is here involved.[6]

The case was remanded by this Court to the District Court with directions "to determine whether 1,584,149 is valid and infringed". In so determining, the Court below held both claims in issue invalid.

In *Keller v. Adams-Campbell Co.*, 264 U. S. 314, 319, it was said:

> "Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of Appeals on the same patent."

No conflict exists between decisions of Circuit Courts of Appeals with respect to any claim of Patent 1,584,149.

The first reason relied upon by the petitioners for the allowance of the writ, is, in effect, that the Courts below were not at liberty, under the decision of this Court, to consider the validity of the claims of Patent 1,584,149 under R. S. 4887 by reason of Japanese Patents 41,728 and 42,563. This reason overlooks or ignores the fact that the case was remanded by this Court to the District Court with express direction "to determine whether 1,584,149 is valid and infringed".

"A respondent or an appellee may urge any matter appearing in the record in support of a judgment, * * *"

LeTulle v. Scofield, 308 U. S. 415, 421;
Stelos Co. v. Hosiery Corp., 295 U. S. 237, 238-9.

[6] Layne &c. Co. v. Western Well Works, 261 U. S. 387, 393.

The second reason urged by the present petitioners for the allowance of a writ of certiorari, is based upon the third reason assigned for the granting of the writ in the petition for certiorari filed by The Electric Storage Battery Company, when the case was first before this Court (No. 441, October Term 1938). That point was dealt with in the brief in support of the petition of The Electric Storage Battery Company at page 23 thereof. It is there made clear that that point pertained to Patents 1,584,150 and 1,896,020, and not to Patent 1,584,149. Indeed, the point itself reveals that it applied, and was intended to apply, *only to those patents applied for more than two years after June 1921.*

Further, petitioners, in their third reason, attempt to construe certain statements made by this respondent in its petition and brief on argument to this Court in No. 441, October Term 1938, as concessions that Japanese Patents 41,728 and 42,563 are not for the same inventions, if any, as Claims 1 and 2 respectively of United States Patent 1,584,149. That attempt is without justification. The petitioner in No. 441, October Term 1938, made no such concessions. That question was not then before this Court. Both Courts below had held that the Japanese Patents were not for the inventions of the Claims of Patent 1,584,149. Under what is commonly called the "two-court rule", The Electric Storage Battery Company was then bound, so far as the questions then before the Court were concerned, by the concurrent findings of the Courts below. Indeed, this Court in its opinion in that case (307 U. S. 5, 9), said:

> "No controversy of fact is involved as the petitioner concedes it must accept the concurrent findings of the courts below."

This recognition of the two-court rule, petitioners here attempt to construe as an admission of fact, notwithstanding this Court remanded the case with directions to determine whether 1,584,149 is valid and infringed.

The lack of substance in petitioners' third reason relied upon for allowance of the writ, is made manifest in the Appendix to the petition (pages 5 and 6 under the caption "Excerpts from Defendant's Brief before Circuit Court of Appeals on Second Appeal", at pp. 24-25). Respondent here has at all times asserted that Japanese patents 41,728 and 42,563 are for the same "inventions" as Claims 1 and 2 respectively of 1,584,149 and that any construction put upon patent 1,584,149 must likewise be given to the Japanese patents and vice versa.

This reason contains no hint of any "important question of Federal law".

The fourth reason relied upon by petitioners for the allowance of the writ is fallacious. It has an unsound major premise. Claims 2 and 3 of Japanese Patent 42,563 are:

R. III, pp. 1253, 1254:

"(2) In order to achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed, as stated in the previous paragraph, which governs the size of the particles by means of the velocity of currents of inblowing *air*.

"(3) In order tc achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed, as stated in the preceding paragraphs, which provides for continuously or periodically supplying raw material in the form of lumps of lead at a given rate, and blowing out the finished par-

ticles by the force of the *wind* [7] so that the work is done continuously."

The Court below said:

(R. IV, 1478): "We think that precisely as an operator skilled in the art would have obtained commercially valuable results if he had followed the disclosures of '149 and '150, he would obtain similar results by following the teachings of '563."

(R. IV, 1480): "The process claimed in Claim 2 of '149 is substantially identical with that claimed in the claims of '563. The specifications of the two patents are also substantially identical."

The Court's finding of identity between the claims of Japanese Patent 42,563 and Claim 2 of Patent 1,584,149 presents no "important question of Federal law"; it presents no question of "importance to the public, as distinguished from that of the parties"; [8] and it presents no matter upon which there is any conflict of decisions of Circuit Courts of Appeals.

The fifth reason relied upon by petitioners for allowance of the writ not only presents no "important question of Federal law", but it is met by Japanese Patent 41,728 (DX-111, R. III, 1248-1250) and the prior art set up in defendant's answer. (R. I, 37-42.)

The sixth reason relied upon by petitioners for allowance of the writ they seek, disregards the facts that—

(1) Patent 1,584,150 does not purport to be a continuation, either in whole or in part, of the application filed January 30, 1922, which eventuated in Patent 1,584,149. On the contrary, patent 1,584,150 says (page 1, lines 1-3),

---

[7] "Wind" is defined by Webster as "Any movement of air, usually restricted to natural and horizontal movements; air in motion with any degree of velocity".

[8] Layne &c. Co. v. Western Well Works, 261 U. S. 387, 393.

"This application is a continuation in part of application 431,473 [9] filed Dec. 17, 1920;"

(2) Petitioners sought and failed, when this case was here as No. 441, October Term 1938, to have Patent 1,584,150 adjudged entitled to the filing date of 1,584,149.[10]

(3) A decree finally dismissing the bill of complaint as to United States Letters Patent 1,584,150 and 1,896,020 was entered, on mandate of this Court, November 15, 1939; that decree is not here involved.

(4) Were Patent 1,584,150 for the same "invention" as 1,584,149, Patent 1,584,150 would be invalidated by Japanese Patents 41,728 and 42,563 in like manner as 1,584,149 is thereby invalidated.

Petitioners' sixth reason presents no "novel question of Federal law".

It is believed that the petition presents no valid reason for the granting of the writ of certiorari and should be denied.

March 11, 1942.

Respectfully submitted,

HUGH M. MORRIS,
Attorney for Respondent.

A. B. STOUGHTON,
A. F. KWIS,
E. S. FARNUM, JR.,
ALEXANDER L. NICHOLS,
Of Counsel for Respondent.

---

[9] Application Serial No. 431,473 is PX-39. It is *not* the application for Patent 1,584,149.

[10] Shimadzu's "Petition for correction of opinion and corresponding modification of orders and for rehearing on one of the issues together with supporting affidavits therefor". *Elec. Storage Battery Co. v. Shimadzu et al.*, 307 U. S. 616, 617.

APPENDIX.

Containing RS4887
and
Certificate of Clerk
of
United States Circuit
Court of Appeals for the
Third Circuit
as to
"Questions Involved"

APPENDIX.

RS4887

(35 USC § 32)

(as it was in 1920-1936)

"§ 32. *Inventions previously patented abroad.* No person otherwise entitled thereto shall be debarred from receiving a patent for his invention or discovery, nor shall any patent be declared invalid by reason of its having been first patented or caused to be patented by the inventor or his legal representatives or assigns in a foreign country, unless the application for said foreign patent was filed more than twelve months, in cases within the provisions of section 31 of this title, and four months in cases of designs, prior to the filing of the application in this country, in which case no patent shall be granted in this country.

"An application for patent for an invention or discovery or for a design filed in this country by any person who has previously regularly filed an application for a patent for the same invention, discovery, or design in a foreign country which, by treaty, convention, or law, affords similar privileges to citizens of the United States shall have the same force and effect as the same application would have if filed in this country on the date on which the application for a patent for for the the same invention, discovery, or design was first filed in such foreign country, provided the application in this country is filed within twelve months in cases within the provisions of section 31 of this title, and within four months in cases of designs, from the earliest date on which any such foreign application was filed. But no patent shall be granted on an application for patent for an invention or discovery or a design which had been patented or described in a printed publication in this or any foreign country more

than two years before the date of the actual filing of the application in this country, or which had been in public use or on sale in this country for more than two years prior to such filing. (R. S. § 4887; Mar. 3, 1897, c. 391, § 3, 29 Stat. 693; Mar. 3, 1903, c. 1019, § 1, 32 Stat. 1225.)"

CLERK'S CERTIFICATE.

UNITED STATES OF AMERICA,
EASTERN DISTRICT OF PENNSYLVANIA, } *Sct.*
THIRD JUDICIAL CIRCUIT,

I, WILLIAM P. ROWLAND, Clerk of the United States Circuit Court of Appeals for the Third Circuit, do hereby certify:

That the rules of said United States Circuit Court of Appeals for the Third Circuit, effective March 1, 1940, and at all times since in force, contain, *inter alia,* the following provisions:

> "Assignments of errors shall not be required except in appeals in criminal cases." (Rule 14 1.)
>
> "The brief of the appellant or petitioner shall contain the following matter under distinctive titles, arranged in the following order:
>
> "* * *
>
> "(b) A statement of the questions involved, setting forth each question separately, * * * ordinarily no point will be considered which is not set forth in or necessarily suggested by the statement of questions involved." (Rule 26 3.)

That the following is a true and faithful copy of the "Questions Involved" as stated pursuant to the foregoing Rule, 26 3 (b), by defendant-appellant in the case of The Electric Storage Battery Company, defendant-appellant v. Genzo Shimadzu and Northeastern Engineering Corporation, plaintiffs-appellees, No. 7602, October Term 1940, in the said United States Court of Appeals for the Third Circuit, as the same appear in the brief of said The Electric Storage Battery Company on file, and now remaining among the records of the said Court, in my office:

> "I. Are not both claims of patent 1,584,149, invalid,

(a) under R. S. 4887 by reason of Japanese patents 41,728 and 42,563 to Shimadzu;

(b) for want of utility;

(c) for want of invention;

(d) because the amendment to the application changing the revolutions of the mill from 15-25 per *hour* to 15-25 per *minute* was made January 4, 1926 and without supplemental oath?

II. Does not the law of the case as well as the patent, prevent reading into patent '149 the oxidation and controlled elevated temperature of patent '150?

III. Were oxidation and controlled temperature now to be read into patent '149 would it not be invalid,

(a) under R. S. 4888 for inadequate disclosure;

(b) because of defendant's prior commercial public use thereof in its Tudor mill operations?

IV. Does defendant's process infringe patent '149?

V. Because of their laches, are plaintiffs not barred from all relief?''

In Testimony Whereof, I have hereunto subscribed my name and affixed the seal of the said Court, at Philadelphia, this 4th day of March, in the Year of our Lord one thousand nine hundred and forty-two and of the Independence of the United States one hundred and sixty-six.

(Seal)

Wm. P. Rowland,
Clerk of the U. S. Circuit Court of Appeals, Third Circuit.

(The original of the foregoing Certificate has been lodged with the Clerk of the Supreme Court of the United States.)

MAR 18 1942
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

No. 965

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY CO.,
Respondent.

PETITIONERS' REPLY TO RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR CERTIORARI

GEO. WHITEFIELD BETTS, JR.,
Counsel for Petitioners.

GEORGE H. SOUTHER,
GEORGE YAMAOKA,
Of Counsel.

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The inferences drawn by respondent on pages 3 to 5 of its brief, based on the quotation from this Court's opinion, to the effect that the District Judge in his last opinion put aside the law of the case in holding that U. S. Patent 1,584,149 involves oxidation and temperature control are best answered by the following quotation from the opinion after remand of the District Judge himself.

> "Specifically, I do not think that the Supreme Court meant to hold that '149 did not disclose heat and oxidation.
>
> Besides, if the sentence was intended to mean what the defendant says it does, 'merely' would be a misplaced modifier. The Court said that the patent covered 'merely a process.' Several of the patents

in suit claimed product and apparatus as well as process. The Court did not say, 'Its claims cover a process for the production of * * * powder merely by introducing * * * etc. * * *' or '* * * merely blowing the powder from the vessel by a current of air.' The distinction in meaning is apparent.

Concededly, '150 teaches the use of air and heat for the purpose of oxidation. So far as the testimony in this case is concerned, I do not find any expression of opinion on the part of the defendant's experts that '149 differs from it in that particular. Dr. Woodbridge, the defendant's chief engineer and an expert, said, 'In United States patent 1,584,150 a temperature between 60° and 200° C. is mentioned. In U. S. patent 1,584,149 no mention is made of temperature in the process, but in my opinion, as a result of the process described, the elevated temperature within the limits specified in U. S. patent 1,584,150 would unquestionably arise.' And again, 'I do not find in either patent 149 in suit or in Exhibits 111 and 112 any limitation upon the amount of oxidation which might take place in either of those three patents'' (Vol. IV, 1443).

That U. S. '149 did involve oxidation and elevated temperature was one point on which the experts on both sides agreed.

Respondent's argument at the foot of page 8 of its brief that petitioners' first reason for the allowance of the writ, ''is, in effect, that the Courts below were not at liberty, under the decision of this Court, to consider the validity of the claims of Patent 1,584,149 under R. S. 4887 by reason of Japanese Patents 41,728 and 42,563'' and overlooks the fact that the case was remanded with express direction ''to determine whether 1,584,149 is valid and infringed,'' itself overlooks the fact that one question bearing on validity was

admittedly decided by this Court, to wit: That '149 was not invalidated by two years' prior public use.

Respondent also has overlooked the fact that this Court in its opinion (R. IV, 1279) referred to the fact that the respondent, then petitioner, had "pleaded that earlier patents procured by Shimadzu in Japan avoided the United States patents as the former were for the same inventions and each was granted more than a year prior to the filing of the corresponding application in this country," and went on to say that the District Court found the facts which the Circuit Court of Appeals affirmed, evidently, it is believed, treating this question as settled. It was not one of the three questions submitted for certiorari.

Respondent's argument at the top of page 9 that the second reason urged by petitioners for the allowance of a writ of certiorari is based on the third reason assigned for the granting of the writ in the petition filed by The Electric Storage Battery Company when the case was here before (No. 441, October Term, 1938) which dealt with the defense of concealment and abandonment, and that the argument on that point pertained only to U. S. '150 and U. S. '020 and not to U. S. '149, is best answered by its 10th assignment of error, found on page 10 of its brief on argument in this Court reading as follows:

> "(10) In not holding that the claims of patents Nos. 1,584,149, 1,584,150 and 1,896,020, adjudged valid and infringed, are invalid because the inventions of said claims were suppressed and concealed by Shimadzu for more than two years after the subject-matter of said claims had been known and used commercially by others in this country."

and by its argument under Point II of that brief (pp. 28-31) in which U. S. '149 is specifically mentioned, culmi-

nating on page 31 with the statement quoted by the present petitioners in Point II of their brief in support of the application for a writ on page 26.

Respondent's reference on page 12 of its brief to the fact that petitioners sought in this case heretofore to have U. S. '150 adjudged entitled to the filing date of U. S. '149 is best answered by the fact that at that time the two lower courts had not yet held that U. S. '150 and U. S. '149 were for the same invention.

Both respondent and the Circuit Court of Appeals on the second appeal overlooked completely the third step of Claim 2 of U. S. '149 which consists of "introducing a current of air into said vessel" after the rotation of the vessel with the lumps of lead in it and before the forming of the lead powder by attrition, which step was completely absent from Japanese patents '728 and '563 (R. III, 1222).

March 16, 1942.

Respectfully submitted,

GEO. WHITEFIELD BETTS, JR.,
Counsel for Petitioners.

GEORGE H. SOUTHER,
GEORGE YAMAOKA,
Of Counsel.

FILED
APR 24 1942
CHARLES ELMORE CROPLEY
CLERK

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Supreme Court of the United States

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No. 965

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
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THE ELECTRIC STORAGE BATTERY CO.,
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PETITION FOR REHEARING RE ORDER DENYING CERTIORARI

GEO. WHITEFIELD BETTS, JR.,
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION, *Petitioners,* v. THE ELECTRIC STORAGE BATTERY CO., *Respondent.*	No. 965

PETITION FOR REHEARING RE ORDER DENYING CERTIORARI

To the Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Now come petitioners, Genzo Shimadzu and Northeastern Engineering Corporation, and respectfully petition that this Honorable Court grant rehearing in the above entitled matter and vacate its order denying certiorari and forthwith issue a writ of certiorari to the United States Circuit Court of Appeals for the Third Circuit for a review of the decision of that court filed on November 19, 1941, as to U. S. Letters Patent 1,584,149 (R. IV, 1467; 123 F. [2d] 890).

Jurisdiction

The petition for certiorari in this case (No. 965, October Term, 1941) was filed on February 19, 1942; and was denied

on March 30, 1942. This petition for rehearing is filed within twenty-five days thereafter under Rule 33 of this Court.

Grounds for Petition for Rehearing

I

IT IS MOST URGENT THAT CERTIORARI BE GRANTED IN THIS CASE, AS THERE IS LITTLE POSSIBILITY OF CONFLICT OF DECISIONS BETWEEN DIFFERENT CIRCUITS.

In *Schriber-Schroth Co.* v. *Cleveland Trust Co.*, 305 U. S. 47, and in *Exhibits Supply Co.* v. *Ace Patents Corp.*, and related cases (Nos. 154, 155 and 156, October Term, 1941), this Court was moved, upon petition for rehearing, to grant certiorari upon a showing that conflict of decisions in circuits was improbable.

In the present case, as the invention here involved is used to greatest advantage by large manufacturers, it is only employed by petitioner Northeastern's licensees, and by respondent in Philadelphia, Pennsylvania and its wholly-owned subsidiary company elsewhere in the United States. (See affidavit hereto annexed.) They comprise the largest storage battery manufacturing companies in the industry and account for a large portion of the production in this country.

Were petitioners to bring suit against respondent's wholly-owned subsidiary in other circuits, they would be confronted with the issue of *res adjudicata* by reason of the judgment in this case.

Although the industry is not concentrated in any one circuit, the remainder of the manufacturers, most of whom are small, either employ different processes or purchase

their lead oxide powders from others who likewise employ different processes.

In addition, material shortages and attendant priorities, due to the war effort, make it highly improbable that any additional infringements will occur because of the relatively short period of time U. S. '149 still has to run (one year) and the unlikelihood that any manufacturer would be able to obtain the apparatus and equipment needed for the utilization of this process until after the present emergency. Consequently there is little, if any, probability of conflicting decisions in other circuits.

While the reasons for the improbability of conflict between decisions of different circuits in *Schriber-Schroth* v. *Cleveland Trust Co.* and in *Exhibits Supply Co.* v. *Ace Patents Corp., supra,* are different from those here present, the result is the same. It is believed that this Court is justified in granting this petition for the purpose of determining the important questions of general interest to the public here involved, as distinguished from those affecting only the parties.

At all times the courts below had before them the same record and the same parties. No new evidence was presented by the parties after remand by this Court. Of the six Circuit Judges who considered this patent, four held Claim 2 valid and infringed. In addition, the District Judge twice found this claim valid and infringed, the last time as a result of re-examination made at the specific direction of this Court.

II

THE WELL ESTABLISHED RULES AS TO THE CONSTRUCTION OF A FOREIGN PATENT AND THE CHARACTER OF PROOF REQUIRED TO ESTABLISH INVALIDATING EFFECT OF THE SAME UNDER THE PATENT STATUTES WILL BE THROWN INTO CONFUSION IF THE DECISION OF THE CIRCUIT COURT OF APPEALS IS PERMITTED TO STAND.

Petitioners respectfully request the further indulgence of this Court for the reason that they may not have presented with sufficient clarity in the petition for certiorari the error of the Circuit Court of Appeals in determining fundamental questions of patent law.

A

The Circuit Court of Appeals, in holding that Japanese '563 constitutes a bar under R. S. 4887 to the patent in suit, has overlooked or overruled certain well established principles of patent law. This Japanese patent *in each of its claims* alternatively claims—so that Court has found—an operable and an inoperable process. It held that the inoperable process may be disregarded and that only the alternative operable process constitutes the invention of this Japanese patent, notwithstanding that such a totally inconsistent document is a nullity. *Kintner* v. *Atlantic Communication Co.*, 240 Fed. 716, 720, 721 (2 C. C. A.). See also, cases cited in Point IV of the petition for certiorari herein.

While U. S. patents are deemed to be *prima facie* valid and the courts, in construing the same, resolve all doubts in favor of validity, this liberal rule of construction has not been and should not be applied to a foreign patent relied on to invalidate a domestic patent. The application of this rule to U. S. patents automatically excludes its appli-

cation to foreign patents. The necessary corollary of the rule is that whatever is urged against a U. S. patent will be strictly construed. This is particularly true when that which is urged is a foreign patent.

One obvious error of the Circuit Court of Appeals was in construing Japanese patent '563 liberally or, in other words, in erroneously applying to a foreign patent the yardstick properly applicable only to U. S. patents for the purpose of destroying an admittedly otherwise meritorious U. S. patent.

The foregoing principles have been uniformly adopted by the courts in construing the *disclosures* of foreign prior art under R. S. 4886 and *identity of claimed invention* of a foreign patent under R. S. 4887. Obviously, respondent must be held to a greater than usual degree of proof in order to sustain this highly technical defense under R. S. 4887 against an admittedly valuable patent, as here involved (R. IV, 1476; 123 F. [2d] 896).

Petitioners have been unable to find any precedent for the decision below. It appears to be in direct conflict with universally established precedent.

B

The courts below, by concurrent holdings, have established that U. S. '149 discloses, and Claim 2 thereof claims, a highly meritorious process in the practice of which air is used to *oxidize* the lead undergoing treatment.

Respondent could only meet its heavy burden of proving invalidity under R. S. 4887 (all other defenses having failed) by showing that Japanese '728 and Japanese '563, or either of them, *claimed* substantially the identical process as that of U. S. '149.

However, the representations which respondent urged before both of the courts below were to *exactly the opposite effect*, namely, that neither Japanese '728 or Japanese '563 disclosed a process involving the step of oxidation, no air being used in Japanese '728 and air being used in an *inert manner only* in the process of Japanese '563, for the sole purpose of removing the powder, if any.*

By sustaining this defense under R. S. 4887 on such a showing, the Circuit Court of Appeals has, in effect, set aside the fundamental rule that U. S. patents are *prima facie* valid. The error into which that Court fell becomes all the more apparent when it is considered that in order for it to have reached the result which it did, it had to volunteer a ruling upon a matter not in issue, namely, the nature of the process of Japanese '728 and Japanese '563. Petitioners have consistently agreed with respondent's construction of these Japanese patents, as outlined above.

---

* The District Court in its opinion on the hearing after remand stated respondent's position as to the relationship of Japanese '563 and U. S. '149 as follows:

> "The defendant contends that is a direction to eliminate all oxidation (referring to a portion of the specification of U. S. '149) and that the patent is therefore no advance over the earlier '563 Japanese patent which plainly contemplated nothing more than the removal of the powder, and which did entirely prevent oxidation by using an inactive medium for removal" (R. IV, 1441; 35 F. Supp. 745, 747). (Parenthetical expression ours.)

As further illustrative of respondent's position in the proceedings below after remand, we quote the following:

> "* * * *the air* (of the '563 process) *was an inert or inactive gas under the specified conditions of use as much so as when it is used, for example, in fanning wheat*" (Respondent's Brief in District Court, p. 19). (Parenthetical expression and emphasis ours.)

> "That the removal of the powder, when formed, is the sole function of the air in 42,563 is shown by the fact that the product of 42,563 is the identical product of 41,728 in which no air is employed, not the product of Japanese patent 60,825 and '150. * * *

> "That the air as employed in 42,563 is inactive and without oxidizing effect and the reasons therefor are expressly stated in paragraph numbered (1) preceding the claims" (Respondent's Brief in Circuit Court of Appeals, p. 16).

Plaintiffs respectfully submit that if the decision of the Circuit Court of Appeals is permitted to stand, it will unsettle and confuse the heretofore well established rule which places the defendant urging a defense under R. S. 4887 under a heavy burden of proving that that which is claimed in the foreign patent is identical with the invention covered by the U. S. patent against which the foreign patent is being urged.

Some of the relevant cases are: *Leeds & Catlin* v. *Victor Talking Machine Co.*, 213 U. S. 301, 320; *Stead Lens Co.* v. *Kryptok Co.*, 214 Fed. 368 (8 C. C. A.); *Selectasine Patents Co.* v. *Prest-o-Graph Co.*, 267 Fed. 840, 842; *American Tri-Ergon Corp.* v. *Paramount Publix*, 71 F. (2d) 153 (2 C. C. A.); *Davis* v. *Milburn*, 1 F. (2d) 227 (2 C. C. A.); *Seymour* v. *Osborne*, 11 Wall. 516, 555; *Westinghouse Airbrake Co.* v. *Great Northern Ry. Co.*, 88 Fed. 258, 263 (2 C. C. A.); *Hoskins Mfg. Co.* v. *General Elec. Co.*, 212 Fed. 422, 429; aff'd 224 Fed. 464 (7 C. C. A.).

The issues presented are manifestly of great importance to the public, aside from their importance to the parties.

Conclusion

WHEREFORE, petitioners pray that the petition for writ of certiorari herein be reconsidered and granted.

Respectfully submitted,

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION, *Petitioners*,

By GEO. WHITEFIELD BETTS, JR.,
GEORGE H. SOUTHER,
GEORGE YAMAOKA,
Counsel for Petitioners.

Dated, April 22, 1942.

Certificate

I hereby certify that the foregoing petition for rehearing is filed in good faith and not for the purpose of delay.

GEO. WHITEFIELD BETTS, JR.,
Counsel for Petitioners.

Affidavit of Albert R. Reid, Annexed to Petition

State of New York, }
County of Niagara, } ss.:

ALBERT R. REID, being duly sworn, deposes and says:

(1) I am over twenty-one years of age, a citizen of the United States and resident of the City of Niagara Falls, State of New York.

(2) I am Chief Engineer of USL Battery Corporation, a New York corporation having its factory and principal offices in the City of Niagara Falls, State of New York, and have served in such capacity continuously for many years.

(3) As Chief Engineer of the aforesaid USL Battery Corporation, I have supervision of the manufacture of Lead Oxide by the process known as the Shimadzu Process, which process embodies the invention of U. S. Letters Patent No. 1584149 issued to Genzo Shimadzu May 11th, 1926, under which the aforesaid USL Battery Corporation is a licensee.

(4) I am familiar with the various methods employed for producing Lead Oxide by other battery manufacturers and users of Lead Oxide in the United States.

(5) To the best of my knowledge and belief, the process of the aforesaid U. S. Letters Patent No. 1584149 has not been, and is not being, employed by anyone in the United States with the exception of the aforesaid USL Battery Corporation and its affiliated companies, all of which are licensees under said patent, and of the Electric Storage

Battery Company of Philadelphia, Pennsylvania, and its wholly owned subsidiary company.

Further deponent sayeth not.

ALBERT R. REID.

Subscribed and sworn to before me this 20th day of April, 1942.

VINCENT J. PACYNSKI,
Notary Public.
My Commission Expires March 30, 1944.

(SEAL)